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NATIONAL INDIAN GAMING COMMISSION

4

CLASS II CLASSIFICATION STANDARDS

5

GOVERNMENT-TO-GOVERNMENT CONSULTATION MEETING

6

WITH THE KIOWA NATION

7

8

HELD IN OKLAHOMA CITY, OKLAHOMA

9

ON AUGUST 9, 2006

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REPORTED BY: TRENA K. BLOYE, CSR

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1 A P P E A R A N C E S

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4 NATIONAL INDIAN GAMING COMMISSION:

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6 Philip N. Hogen, Chairman

7 Cloyce "Chuck" V. Choney, Commissioner

8 Natalie Hemlock, Special Assistant to the

9 Commission

10 Penny Coleman, Acting General Counsel

11 Michael Gross, Senior Attorney

12 John R. Hay, Staff Attorney

13 Joseph M. Valandra, Chief of Staff

14 Tim Harper, Region Chief, Region V

15 Marcy Pate Olber, Senior Field Investigator

16 Jeanette Ross, Field Investigator

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1 ON BEHALF OF THE KIOWA NATION:

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3 Billy Evans Horse, Chairman

4 Richard Tartasah, Jr., Vice Chairman

5 Donald Neconie, Treasurer

6 Ernestine Hernasy, Secretary

7 William Tartsah, Committeeman

8 Gerald Quoetone, Committeeman

9 David Geimausaddle, Committeeman

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11 Walter Kaulity, Chairman, Kiowa Gaming Comm.

12 Herbert Redbird

13 Steve Littleman

14 Lee Rhoades

15 Ronald Twohatchett

16 Danna Jackson

17 Amos Black, III

18 Amos Black, IV

19 Ryland Rivas, Sr.

20 Brian Pogue

21 Raymond Pena

22 Keith Yackeyonny

23 Connie Bread Shawnee

24 Angela Lamabull Greg Wilson

25 Billy Shawnee Melvine Cooper

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1 COMMISSIONER CHONEY: On behalf

2 the Commission we would like to welcome

3 everybody to this Class II Standards
4 Consultation meeting. And for your
5 information, this matter will be recorded. We
6 have a court reporter here. And this will be
7 a matter of public record. If at a later time
8 if you would like to have a copy of the
9 transcript, just go to our website. We will
10 be putting, not only this transcription, but
11 all the other tribes that we have met with for
12 the last three weeks.

13 So you might pick up some pretty
14 good information there if you want to provide
15 some written comments at a later date prior to
16 the deadline.

17 Also, since this is a matter of
18 public record, if there is anything you wish
19 talk about pertaining to gaming in relation to
20 your tribe, but it doesn't have to do with
21 Class II standards, feel free to do so, but
22 let us know. We will have to go off the
23 record.

24 Also for the record, I would like
25 to introduce Phil Hogen. He's the chairman of

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1 the National Indian Gaming Commission. I'm
2 Chuck Choney, commissioner with the NIGC.
3 Sitting next to Phil is Penny Coleman. She's
4 our acting general counsel. Then Michael

5 Gross, senior attorney, Office of General
6 Counsel.

7 Then Tim Harper. He's our
8 regional director working out of our Tulsa
9 office. Natalie Hemlock, special assistant to
10 the Commission. Joe Valandra, he's our chief
11 of staff. Jeanette Ross, she's also another
12 investigator out of our Tulsa office. And
13 John Hay. He's senior attorney with our
14 Office of General Counsel.

15 And, again, I would like to
16 welcome each and everyone here. We are
17 welcoming your comments.

18 So, with that, Chairman Hogen.

19 CHAIRMAN HOGEN: Okay. Good
20 afternoon. Welcome. We've been at this
21 consultation business for some time. Two days
22 of it here in Oklahoma. And we're getting a
23 lot of good advice. We hope to hear more from
24 you folks. We know that we have kind of a
25 special relationship with you, since you are

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1 not involved in gaming as we speak, but you
2 are pointing to that later this year and
3 working closely with us to get there. So we
4 have learned a lot about what's underway
5 there.

6 We're doing this because on the
7 25th of May this year we published in the
8 "Federal Register" some proposals. One was to
9 modify the definition that currently exists in
10 our regulations relating to what's a facsimile
11 of a game of chance, an electronic facsimile
12 of a game of chance.

13 The other is a package or set of
14 regulations that would hopefully better
15 distinguish those electronic and technologic
16 aids that tribes can use to play Class II
17 games without a compact with the state from
18 those electronic facsimiles of games of chance
19 and slot machines that are required in tribal
20 state compact.

21 Up until now we have been kind of
22 limping along looking at the broad, general
23 definitions in the act, some court cases that
24 have addressed this subject, and some opinions
25 that our office has been issued. But it's

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1 just not a good way to do business. We'd be
2 better served, we think, if we had a set of
3 regulations that clearly describe what you can
4 clearly do without threat of somebody coming
5 along and saying you made a bad investment,
6 you can't use those machines any more.

7 So, to that end we have tried to

8 distinguish those slot machines from a play of
9 bingo and pull-tabs where the player is
10 actually involved. It's my view that if you
11 have got a machine that you just push the
12 button once and the game is over, you have
13 taken the player out of it. That no longer
14 would be interactive bingo, but rather it
15 would be an electronic facsimile of a game of
16 chance.

17 Now, some have told us that they
18 think we are too restrictive, that we don't
19 allow games to go fast enough and so forth.
20 We are taking all of this into consideration.

21 In addition to that package of
22 classification regulations, we have also been
23 working on technical regulations, things that
24 say about what the requirements for the
25 hardware and software are so nobody can hack

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1 into your games, nobody can cheat the system,
2 that it will be secure and the accounting will
3 be appropriate. We are going to publish in
4 the "Federal Register" this Friday those
5 technical regulations. They are about 120
6 pages long. They go into great detail, of
7 course, with respect to this technology.

8 But they are not knew. We have

9 been working on them for a year or so, and we
10 have had them on our website. We didn't
11 publish them in May, because we needed to
12 bring them up-to-date. There are some
13 technologic developments that we wanted to
14 address. They are out there.

15 And we have extended the comment
16 period for these classification standards that
17 we are talking about today to the 30th of
18 September. That's also the time we want to
19 conclude comments for those technical
20 standards.

21 In September we're also going to
22 have a public hearing on this whole subject.
23 We're going to have several panels that will
24 address this whole issue. We will have a
25 panel of tribal leaders. We will have a

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1 tribal of regulators. We will have a panel of
2 manufacturers and designers of these games.
3 We will have some representatives from state
4 governments with their point of view. We will
5 also be hearing from some folks about the
6 economic impact of regulations such as this.

7 So, that's what's on the drawing
8 board. To get where we are going, it will be
9 useful to understand what you think about all
10 of this so we can take that into consideration

11 to decide should we finalize these and, if so,
12 what they will look like.

13 So, Chairman Horse, if you would
14 care to introduce those of your delegation
15 that you think will be speaking on the record
16 here, that will be useful for us. And we
17 would like to hear your comments.

18 CHAIRMAN HORSE: Well, thank you.
19 You know, the problem facing the day is I'm
20 getting old. And when you get old, you're
21 liable to talk too long, and you are liable to
22 say things that you don't want to say, but
23 that's because of the age that's creeping up
24 on all of us.

25 I would first like to express it

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1 in Kiowa, because that's what I am, then I
2 will try to work along with an interpretation
3 as quick as I can. I don't want to sit here
4 all day and not make any sense.

5 (Chairman Horse presented a brief
6 speech in the Kiowa language.)

7 CHAIRMAN HORSE: Chairman Hogen,
8 Commissioner Choney, I want to welcome you
9 back to Kiowa country. I don't want to say
10 Oklahoma, because we were here long before
11 Oklahoma became a statehood.

12 The second part is, as you well
13 know, I'm an advocate of sovereignty. I make
14 that very clear when we set the record in
15 Washington on the day that I declared Kiowas
16 were sovereign and we would like to begin to
17 operate as a sovereignty.

18 But knowing that many years have
19 passed and trying to catch up the idea of
20 sovereignty and working in and out, we know
21 it's going to be very difficult because of
22 what America has done to us in terms of
23 educating us to become Americanized.

24 The purpose I understand that we
25 are here for is a consultation process. On

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1 one hand I can say I'm aware of it to a
2 certain degree by communications of the past.
3 On the other hand, it's kind of a new ball
4 game to a degree of understanding.

5 Number one, I was a participant in
6 Washington with other Native American groups
7 at the time that consideration was given for a
8 law to be enacted by congress and it was
9 called the -- I can't quite bring it out of my
10 memory -- but it was a law that was going to
11 govern gaming called IGRA. And in that -- and
12 it's specifically targeting on bingo. It's
13 very clearly understood there must be a

14 consultation process between you and I in
15 terms of whatever the concern is. In this
16 case it sounds like a classification and so
17 forth.

18 And since that time, off and on to
19 our different methods of communication, I have
20 been made aware of it but never really got an
21 opportunity to focus in on it and to become
22 part of it to have an input into the process.

23 But I will leave that as of right
24 now to a degree of I wanted to ask, kind of
25 more or less speak off the record to bring you

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1 kind of up to date where we are with the
2 present situation that we have all been faced
3 with.

4 Before we get into that, I would
5 like to have the people who came with me here
6 to introduce themselves so we can get through
7 this process. I want to start to my left.

8 If you will, Mr. Geimausaddle.

9 MR. GEIMAUSADDLE: I'm Mr. Dave
10 Geimausaddle. I'm a full blood Kiowa. I'm
11 recently elected to our tribal council, and I
12 am glad to be here. Thank you.

13 MR. R. TARTSAH: My name is
14 Richard Tartsah, Jr., and I am the vice

15 chairman.

16 MR. QUOETONE: Gerald Quoetone.

17 I'm a committee member. Glad to be here.

18 Very informative. Thank you.

19 MR. NECONIE: My name is Don

20 Neconie. I'm the treasurer for the Kiowa

21 Tribe.

22 MR. W. TARTSAH: William Tartsah,

23 committeeman with the Kiowa Tribe.

24 MS. HERNASY: Ernestine Hernasy,

25 full force Kiowa, secretary.

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1 CHAIRMAN HORSE: And I'll start to

2 my right if you will. This is members of our

3 Kiowa Gaming Commission.

4 MR. LITTLEMAN: Steve Littleman,

5 Kiowa gaming commissioner.

6 MR. REDBIRD: Herb Redbird, Kiowa

7 gaming commissioner.

8 MR. TWOHATCHETT: Ron Twohatchett,

9 KCOA.

10 MR. RHOADES: Lee Rhoades,

11 chairman of the KCOA.

12 MR. PENA: Ray Pat Pena, tribal

13 administrator.

14 MR. YACKEYONNY: Keith Yackeyonny,

15 finance officer.

16 MR. BLACK: Amos Black, attorney.

17 MR. BLACK: Amos Black (sic.),
18 attorney.
19 MS. JACKSON: Danna Jackson,
20 attorney.
21 MR. RIVAS: Ryland Rivas, attorney
22 also.
23 MR. POGUE: Brian Pogue,
24 consultant.
25 MR. WILSON: Greg Wilson, casino

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1 development group.
2 MS. COOPER: Melvine Cooper,
3 economic development.
4 MS. LAMEBULL: Angela Lamebull.
5 (Inaudible)
6 MR. QUOETONE: (Inaudible) --
7 Quoetone, tribal member. Been involved with
8 this project for going on nine years now.
9 It's a dream looks like it's come true. And
10 I'm an elder now. And I wasn't an elder when
11 I first started.
12 MS. SHAWNEE: Connie Bread
13 Shawnee, KBC assistant.
14 MR. SHAWNEE: Billy Shawnee.
15 MS. SHAWNEE: Cameraman.
16 MR. SHAWNEE: Cameraman
17 CHAIRMAN HORSE: Off the record.

18 The issue that --

19 CHAIRMAN HOGEN: Do you want us
20 not to record what we're going to discuss now?

21 CHAIRMAN HORSE: No.

22 CHAIRMAN HOGEN: Okay. We will
23 discontinue the transcription.

24 (Proceedings concluded.)

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1 C E R T I F I C A T E

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4 STATE OF OKLAHOMA)
) SS:
5 COUNTY OF OKLAHOMA)

6 I, Trena K. Bloye, Certified Shorthand
7 Reporter for the State of Oklahoma, certify that the
8 foregoing transcript of proceedings taken by me in
9 stenotype and thereafter transcribed is a true and
10 correct transcript of the proceedings; that they
11 were taken on August 9, 2006, at the Cox Convention
12 Center, Oklahoma City, State of Oklahoma; that I am
13 not an attorney for nor a relative of any said
14 parties, or otherwise interested in the event of
15 said action.

16 IN WITNESS WHEREOF, I have hereunto set my
17 hand and seal of office on this the 11th day of
18 August, 2006.

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Trena K. Bloye
Certified Shorthand Reporter
for the State of Oklahoma

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